International Annual Average Prices of wheat, rice and cotton in selected Countries

(Cents Per Kg.)

Year	Wheat		Rice	Cotton
	USA	Canada	USA	U.K.
1980	18.0	19.3	51.7	218.0
1981	17.7	19.6	62.7	196.0
1982	16.1	16.8	39.5	166.0
1997	13.4	11.7	43.9	172.4
1998	10.7	9.9	41.3	164.2
1999	9.5	9.5	33.3	129.6

SOURCE: Public Ledger-World Commodities Weekly. This does not contain figures for sugarcane.

(d) A number of factors like change in consumption pattern, availability of substitutes, trends in production and supply *vis-a-vis* demand, change in productivity and Government support affect the price level. A combination of these factors has contributed to decline in international prices.

Foodgrain production

363. SHRI MOTILAL VORA: Will the Minister of AGRICULTURE be pleased to state:

(a) whether it is a fact that the demand of rice and wheat by the year 2020 is expected to be around 26 crore tonnes which is likely to be doubled as compared to the demand of the year 2000;

(b) what steps have been taken by Government to increase the production of foodgrains;

(c) what is the target set for increasing their annual production in the next five years; and

(d) what concrete arrangement is being made by Government for ensuring support prices to the goods produced by the farmers?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI HUKUMDEO NARAYAN YADAV): (a) to (c) The demand for a commodity at a given point of time depends upon various factors such as prices, incomes, population, pattern of consumption, substitutes available, etc. The Working Group on Crop Husbandry, Demand and Supply Projections and Agricultural Inputs set up for the Tenth Five Year Plan (2002-07), based on normative approach, has estimated the demand for cereals including rice and wheat at 203.709 million tonnes and for pulses at 17.714 million tonnes, totaling 221.423 million tonnes of foodgrains at the terminal year of the Tenth Plan.

In order to improve the performance of the agriculture sector, the Government have launched various new initiatives such as, promotion of watershed development programmes, emphasis on developing and promoting new technologies, measures for increasing availability of agricultural credit, credit linked subsidy scheme for augmenting storage/cold storage capacity, Technology Mission for Integrated Development of horticulture in North-eastern States, Market Information Network and National Agriculture Insurance Scheme etc. The Government have also switched over from the conventional schematic approach to macro-management mode from November, 2000 for providing assistance to States. The Macro-Management scheme integrates 27 schemes into one for supplementing and complementing the efforts of State Governments through work plans. This gives flexibility to States to address specific problems faced by them depending on local requirements, avoid overlapping in the contents of different schemes and aim at an all-round development of agriculture.

The Government encourages farmers to increase production through price policy which includes implementation of Minimum

Support Price (MSP) and Market Intervention Scheme (MIS). Keeping in view the need to compensate farmers for the losses suffered in unirrigated areas and the additional expenditure in irrigated areas, the Government announce Special Drought Relief Price ranging from Rs. 5 to 20 per quintal for kharif crops of 2002-03 season.

(d) The designated central nodal agencies undertake purchase operation whenever the Minimum Support Prices (M.S.P.) of major agricultural commodities fall below the M.S.P. level. Large quantities of major agricultural commodities have been procured in recent years.

Holding up drought assistance to States

364. SHRI RAMACHANDRA KHUNTIA: Will the Minister of AGRICULTURE be pleased to state:

(a) what has been the assessment of Government of the recent drought in various States, especially in Orissa;

(b) how much assistance/relief has been sanctioned/released by Government to various States affected with drought, State-wise; and;

(c) in case release is held up in respect of some States, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI HUKUMDEO NARAYAN YADAV): (a) to (c) Deficiency of rainfall in a large number of States particularly in the month of July has caused wide-spread disruption of agricultural operations during kharif 2002. It is estimated that there is a cumulative loss of 18.72% of food-grains production for the affected States cumulatively. Government of Orissa has reported a shortfall of 7.02 lakh ha. in kharif sowing and crop loss of 50% and above in an area of 25.46 lakh hectare.